

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3874 - HB 3789

February 4, 2010

SUMMARY OF BILL: Eliminates the current structure of the Board of Review, in the Department of Labor and Workforce Development, for second level contested unemployment appeals and replaces it with a new structure that utilizes licensed attorneys from the Legal Division designated by the Commissioner. Eliminates requirement that written notification of decisions be sent by certified mail.

ESTIMATED FISCAL IMPACT:

Decrease Federal Expenditures - Net Impact – \$14,300

Assumptions:

- According to the Department of Labor and Workforce Development, the new structure will involve restructuring of the current Board of Review officers and current attorney positions. Any expenditure for the reclassification of current positions or the creation of additional positions would be limited to cost savings created from eliminating the Board of Review.
- According to the Department, there are approximately 425 Board of Review decisions sent through certified mail each month. The cost of each certified mailing is \$3.24. The cost of first class postage is \$0.42. The savings of \$2.82 results in a yearly decrease in federal expenditures of \$14,300 ($\$2.82 \times 425 \times 12$).
- Administrative funding from the U.S. Department of Labor provides for the necessary costs of proper administration of the Unemployment Insurance program.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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/jaw